

Senate File 618 - Enrolled

Senate File 618

AN ACT

RELATING TO ALCOHOLIC BEVERAGE CONTROL AND MATTERS UNDER
THE PURVIEW OF THE ALCOHOLIC BEVERAGES DIVISION OF THE
DEPARTMENT OF COMMERCE AND INCLUDING EFFECTIVE DATE
PROVISIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

ALCOHOLIC BEVERAGE CONTROL

Section 1. Section 123.3, subsections 5, 6, 7, 20, 26, 34,
and 48, Code 2019, are amended to read as follows:

5. "*Alcoholic liquor*" means the varieties of liquor defined
in subsections 3 and 44 which contain more than ~~five~~ six and
twenty-five hundredths percent of alcohol by ~~weight~~ volume,

beverages made as described in subsection 7 which beverages contain more than ~~five percent of alcohol by weight or~~ six and twenty-five hundredths percent of alcohol by volume but which are not wine as defined in subsection 48 or high alcoholic content beer as defined in subsection 20, and every other liquid or solid, patented or not, containing spirits and every beverage obtained by the process described in subsection 48 containing more than ~~seventeen percent alcohol by weight or~~ twenty-one and twenty-five hundredths percent of alcohol by volume, and susceptible of being consumed by a human being, for beverage purposes. Alcohol manufactured in this state for use as fuel pursuant to an experimental distilled spirits plant permit or its equivalent issued by the federal bureau of alcohol, tobacco and firearms is not an "*alcoholic liquor*".

6. "*Application*" means a written request for the issuance of a permit, ~~or license, or certificate~~ that is supported by a verified statement of facts and submitted electronically, or in a manner prescribed by the administrator.

7. "*Beer*" means any liquid capable of being used for beverage purposes made by the fermentation of an infusion in potable water of barley, malt, and hops, with or without unmalted grains or decorticated and degerminated grains or made by the fermentation of or by distillation of the fermented products of fruit, fruit extracts, or other agricultural products, containing more than one-half of one percent of alcohol by volume but not more than ~~five percent of alcohol by weight or~~ six and twenty-five hundredths percent of alcohol by volume ~~but not including mixed drinks or cocktails mixed on the premises.~~

20. "*High alcoholic content beer*" means beer which contains more than ~~five percent of alcohol by weight or~~ six and twenty-five hundredths percent of alcohol by volume, but not more than ~~twelve percent of alcohol by weight or~~ fifteen percent of alcohol by volume, that is made by the fermentation of an infusion in potable water of barley, malt, and hops, with or without unmalted grains or decorticated and degerminated grains. Not more than one and five-tenths percent of the volume of a "*high alcoholic content beer*" may consist of alcohol

derived from added flavors and other nonbeverage ingredients containing alcohol. The added flavors and other nonbeverage ingredients may not include added caffeine or other added stimulants including but not limited to guarana, ginseng, and taurine.

26. "*Licensed premises*" or "*premises*" means all rooms, enclosures, contiguous areas, or places susceptible of precise description satisfactory to the administrator where alcoholic beverages, wine, or beer is sold or consumed under authority of a liquor control license, wine permit, or beer permit. A single licensed premises may consist of multiple rooms, enclosures, areas, or places if they are wholly within the confines of a single building or contiguous grounds, ~~or areas or places susceptible of precise description satisfactory to the administrator.~~

34. "*Person*" means any individual, association, or partnership, any corporation, limited liability company, or other similar legal entity, any club, hotel or motel, or any municipal corporation owning or operating a bona fide airport, marina, park, coliseum, auditorium, or recreational facility in or at which the sale of alcoholic liquor, wine, or beer is only an incidental part of the ownership or operation.

48. "*Wine*" means any beverage containing more than five six and twenty-five hundredths percent of alcohol by weight volume but not more than ~~seventeen percent of alcohol by weight~~ ~~or~~ twenty-one and twenty-five hundredths percent of alcohol by volume obtained by the fermentation of the natural sugar contents of fruits or other agricultural products but excluding any product containing alcohol derived from malt or by the distillation process from grain, cereal, molasses, or cactus.

Sec. 2. Section 123.3, Code 2019, is amended by adding the following new subsections:

NEW SUBSECTION. 14A. "*Completed application*" means an application where all necessary fees have been paid in full, any required bonds have been submitted, the applicant has provided all information requested by the division, and the application meets the requirements of section 123.92, subsection 2, if applicable.

NEW SUBSECTION. 28A. "*Mixed drink or cocktail*" means an

alcoholic beverage, composed in whole or in part of alcoholic liquor, that is combined with other alcoholic beverages or nonalcoholic beverages or ingredients including but not limited to ice, water, soft drinks, or flavorings.

NEW SUBSECTION. 28B. "*Native brewery*" means a business which manufactures beer or high alcoholic content beer and is operated by a person who holds a class "A" beer permit that authorizes the holder to manufacture and sell beer pursuant to this chapter.

NEW SUBSECTION. 36A. "*Private place*" means a location which, at the time alcoholic beverages are kept, dispensed, or consumed, meets all of the following criteria:

a. The general public does not have access to the location and attendees are limited to bona fide social hosts and invited guests.

b. The location is not of a commercial nature.

c. Goods or services are neither sold nor purchased at the location.

d. The location is not a licensed premises.

e. Admission fees or other kinds of entrance fees, fare, ticket, donation or charges are not made or are required of the invited guests to enter the location.

Sec. 3. Section 123.10, subsection 13, Code 2019, is amended to read as follows:

13. Providing for the issuance of a waiver for an individual of legal age desiring to import alcoholic liquor, wine, or beer in excess of the amount provided in [section 123.22](#), ~~123.146~~ [123.122](#), or [123.171](#), as applicable. The waiver shall be limited to those individuals who were domiciled outside the state within one year of the request for a waiver and shall provide that any alcoholic liquor, wine, or beer imported pursuant to the waiver shall be for personal consumption only in a private home or other private accommodation.

Sec. 4. Section 123.10, Code 2019, is amended by adding the following new subsections:

NEW SUBSECTION. 14. Prescribing the uniform fee to be assessed against a class "B" beer permittee, class "C" native wine permittee, or liquor control licensee, except a class "E" liquor control licensee, to cover the administrative costs

incurred by the division resulting from the failure of the licensee or permittee to maintain dramshop liability insurance coverage pursuant to section 123.92, subsection 2, paragraph "a".

NEW SUBSECTION. 15. Prescribing the uniform fee, not to exceed one hundred dollars, to be assessed against a licensee or permittee for a contested case hearing conducted by the division or by an administrative law judge from the department of inspections and appeals which results in administrative action taken against the licensee or permittee by the division.

Sec. 5. Section 123.23, subsections 1 and 4, Code 2019, are amended to read as follows:

1. Any manufacturer, distiller, or importer of alcoholic liquors shipping, selling, or having alcoholic liquors brought into this state for resale by the state shall, as a condition precedent to the privilege of so trafficking in alcoholic liquors in this state, annually make application for and hold a distiller's certificate of compliance which shall be issued by the administrator for that purpose. No brand of alcoholic liquor shall be sold by the division in this state unless the manufacturer, distiller, importer, and all other persons participating in the distribution of that brand in this state have obtained a certificate. The certificate of compliance shall expire at the end of one year from the date of issuance and shall be renewed for a like period upon application to the administrator unless otherwise suspended or revoked for cause. Each completed application for a certificate of compliance or renewal shall be submitted electronically, or in a manner prescribed by the administrator, and shall be accompanied by a fee of fifty dollars payable to the division. However, this subsection need not apply to a manufacturer, distiller, or importer who ships or sells in this state no more than eleven gallons or its case equivalent during any fiscal year as a result of "special orders" which might be placed, as defined and allowed by divisional rules adopted under [this chapter](#).

4. Any violation of the requirements of [this section](#), ~~except subsection 3~~, chapter or rules adopted pursuant to this chapter shall subject the ~~violation~~ holder of a distiller's certificate of compliance to the general penalties provided in [this chapter](#)

~~and in addition to the general penalties, is shall constitute grounds for imposition of a civil penalty, suspension of the certificate, or revocation of the certificate of compliance, after notice and opportunity for a hearing before the administrator pursuant to section 123.39 and chapter 17A.~~
~~Willful~~ However, willful failure to comply with requirements which may be imposed under subsection 3 is grounds for suspension or revocation of the certificate of compliance only.

Sec. 6. Section 123.24, subsection 1, Code 2019, is amended to read as follows:

1. The division shall sell alcoholic liquor at wholesale only. The division shall sell alcoholic liquor to class "E" liquor control licensees only. The division shall offer the same price on alcoholic liquor to all class "E" liquor control licensees without regard for the quantity of purchase or the distance for delivery. ~~However, the division may assess a split case charge when liquor is sold in quantities which require a case to be split.~~

Sec. 7. Section 123.24, Code 2019, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. The price of alcoholic liquor sold by the division shall consist of the following:

- a. The manufacturer's price.
- b. A markup of up to fifty percent of the wholesale price paid by the division for the alcoholic liquor. The division may increase the markup on selected kinds of alcoholic liquor sold by the division if the average return to the division on all sales of alcoholic liquor does not exceed the wholesale price paid by the division and the fifty percent markup.
- c. A split case charge in an amount determined by the division when alcoholic liquor is sold in quantities which require a case to be split.
- d. A bottle surcharge in an amount sufficient, when added to the amount not refunded to class "E" liquor control licensees pursuant to section 455C.2, to pay the costs incurred by the division for collecting and properly disposing of the liquor containers. The amount collected pursuant to this paragraph, in addition to any amounts not refunded to class "E" liquor control licensees pursuant to section 455C.2, shall be

deposited in the beer and liquor control fund established under section 123.17.

Sec. 8. Section 123.24, subsections 4 and 5, Code 2019, are amended by striking the subsections.

Sec. 9. Section 123.27, subsection 3, Code 2019, is amended by striking the subsection.

Sec. 10. Section 123.28, subsection 2, Code 2019, is amended to read as follows:

2. The division shall deliver alcoholic liquor purchased by class "E" liquor control licensees. Class "E" liquor control licensees may deliver alcoholic liquor purchased by class "A", class "B", class "C", class "C" native distilled spirits, or class "D" liquor control licensees, and class "A", class "B", class "C", class "C" native distilled spirits, or class "D" liquor control licensees may transport alcoholic liquor purchased from class "E" liquor control licensees.

Sec. 11. Section 123.30, subsection 2, Code 2019, is amended to read as follows:

2. A liquor control license shall not be issued for premises which do not constitute a safe and proper place or building and which do not conform to all applicable laws, ordinances, resolutions, and health and fire regulations. A licensee shall not have or maintain any interior access to residential or sleeping quarters unless permission is granted by the administrator in the form of a living quarters permit.

Sec. 12. Section 123.30, subsection 4, Code 2019, is amended to read as follows:

4. Notwithstanding any provision of [this chapter](#) to the contrary, a person holding a liquor control license to sell alcoholic beverages for consumption on the licensed premises may permit a customer to remove one unsealed bottle of wine for consumption off the premises if the customer has purchased and consumed a portion of the bottle of wine on the licensed premises. The licensee or the licensee's agent shall securely reseal such bottle in a bag designed so that it is visibly apparent that the resealed bottle of wine has not been tampered with and provide a dated receipt for the resealed bottle of wine to the customer. A wine bottle resealed pursuant to the requirements of [this subsection](#) is subject to the requirements

of [sections 321.284](#) and [321.284A](#). A person holding a liquor control license to sell alcoholic beverages for consumption on the licensed premises may permit a customer to carry an open container of wine from ~~their~~ the person's licensed premises into another immediately adjacent licensed premises, ~~temporary~~ that is covered by a license or permit that authorizes the consumption of wine, a temporarily closed public right-of-way, or a private property place.

Sec. 13. Section 123.30, subsection 5, Code 2019, is amended by striking the subsection.

Sec. 14. Section 123.31, subsection 3, Code 2019, is amended to read as follows:

3. The names and addresses of all persons or, in the case of a corporation, limited liability company, or any other similar legal entity, the officers, directors, and persons owning or controlling ten percent or more of the capital stock thereof, having a financial interest, by way of loan, ownership, or otherwise, in the business.

Sec. 15. Section 123.32, subsections 1, 2, 3, and 6, Code 2019, are amended to read as follows:

1. *Filing of application.*

a. An A completed application for a class "A", class "B", class "C", special class "C", class "C" native distilled spirits, or class "E" liquor control license as provided in section 123.31, for a class "A" native distilled spirits license, for a retail beer permit as provided in sections 123.128 and [123.129](#), or for a class "B", class "B" native, or class "C" native retail wine permit as provided in section 123.175, ~~accompanied by the necessary fee and bond, if required,~~ shall be filed with the appropriate city council if the premises for which the license or permit is sought are located within the corporate limits of a city, or with the board of supervisors if the premises for which the license or permit is sought are located outside the corporate limits of a city.

b. An A completed application for a class "D" liquor control license and for a class "A" beer or class "A" wine permit, ~~accompanied by the necessary fee and bond, if required,~~ any of the following certificates, licenses, or permits shall

be submitted to the division electronically, or in a manner prescribed by the administrator, which shall proceed in the same manner as in the case of an application approved by local authorities-:

(1) A certificate of compliance as provided in sections 123.23, 123.135, and 123.180.

(2) A class "D" liquor control license as provided in section 123.31.

(3) A manufacturer's license as provided in section 123.41.

(4) A broker's permit as provided in section 123.42.

(5) A class "A" native distilled spirits license as provided in section 123.43.

(6) A class "A" or special class "A" beer permit as provided in section 123.127.

(7) A charity beer, spirits, and wine auction permit as provided in section 123.173A.

(8) A class "A" wine permit as provided in section 123.175.

(9) A wine direct shipper's permit as provided in section 123.187.

(10) A wine carrier permit as provided in section 123.188.

2. *Action by local authorities.* The local authority shall either approve or disapprove the issuance of a liquor control license, a retail wine permit, or a retail beer permit, shall endorse its approval or disapproval on the application, and shall forward the application with the necessary fee and bond, if required, to the division. There is no limit upon the number of liquor control licenses, retail wine permits, or retail beer permits which may be approved for issuance by local authorities.

3. *Licensed premises for local events.* A local authority may define, by motion of the local authority, licensed premises which shall be used by holders of liquor control licenses, beer permits, and wine permits at festivals, fairs, or celebrations which are sponsored or authorized by the local authority. The licensed premises defined by motion of the local authority shall be used by the holders of five-day or fourteen-day class "A", class "B", class "C", special class "C", or class "D" liquor control licenses, or five-day or fourteen-day class "B" or class "C" native wine permits, or class "B" beer permits

only.

6. *Action by administrator.*

a. Upon receipt of an application having been disapproved by the local authority, the administrator shall notify the applicant that the applicant may appeal the disapproval of the application to the administrator. The applicant shall be notified by certified mail or personal service, and the application, the fee, and any bond shall be returned to the applicant.

b. Upon receipt of an application having been approved by the local authority, the division shall make an investigation as the administrator deems necessary to determine that the applicant complies with all requirements for holding a license or permit, and may require the applicant to appear to be examined under oath to demonstrate that the applicant complies with all of the requirements to hold a license or permit. If the administrator requires the applicant to appear and to testify under oath, a record shall be made of all testimony or evidence and the record shall become a part of the application. The administrator may appoint a member of the division or may request an administrative law judge of the department of inspections and appeals to receive the testimony under oath and evidence, and to issue a proposed decision to approve or disapprove the application for a license or permit. The administrator may affirm, reverse, or modify the proposed decision to approve or disapprove the application for the license or permit. If the application is approved by the administrator, the license or permit shall be issued. If the application is disapproved by the administrator, the applicant shall be so notified by certified mail or personal service and the appropriate local authority shall be notified electronically, or in a manner prescribed by the administrator.

Sec. 16. Section 123.34, Code 2019, is amended to read as follows:

123.34 Expiration of licenses, and permits, and certificates of compliance — seasonal, five-day, and fourteen-day, and five-day licenses and permits — fees.

1. ~~Liquor control~~ All licenses, wine permits, and beer permits, and certificates of compliance, unless sooner

suspended or revoked, expire one year from date of issuance. The administrator shall notify a license, or permit, or certificate holder electronically, or in a manner prescribed by the administrator, sixty days prior to the expiration of each license, or permit, or certificate.

~~2. a. However, the~~ The administrator may issue six-month or eight-month seasonal class "A", class "B", class "C", special class "C", and class "D" liquor control licenses, class "B" wine permits, class "B" or class "C" native wine permits, or class "B" beer permits for a proportionate part of the license or permit fee or may issue fourteen-day liquor control licenses, native wine permits, or beer permits as provided in subsection 2.

b. No refund shall be made for seasonal licenses or permits or for fourteen-day liquor control licenses, native wine permits, or beer permits. No seasonal license or permit shall be renewed. However, after a period of two months the applicant may apply for a new seasonal license or permit for the same location. The fee for a six-month or eight-month seasonal license or permit issued pursuant to this subsection shall be for a proportionate part of the license or permit fee for that class of license or permit. However, the fee for a seasonal class "B" native wine permit shall be the permit fee provided in section 123.179, subsection 3, and the fee for a seasonal class "C" native wine permit shall be the permit fee provided in section 123.179, subsection 4.

~~2. 3. a.~~ The administrator may issue fourteen-day class "A", class "B", class "C", special class "C", and class "D" liquor control licenses, and fourteen-day class "B" beer permits, class "B" native wine permits, and class "C" native wine permits.

b. A fourteen-day license or permit, if granted, is valid for fourteen consecutive days, but the holder shall not sell on the two Sundays in the fourteen-day period unless the holder qualifies for and obtains the privilege to sell on Sundays contained in section 123.36, subsection 6, and section 123.134, subsection 4.

~~3. c. (1)~~ The fee for a fourteen-day liquor control license or beer permit is one quarter of the annual fee for

that class of liquor control license or beer permit. The fee for the privilege to sell on the two Sundays in the fourteen-day period is twenty percent of the price of the fourteen-day liquor control license or beer permit.

(2) The fee for a fourteen-day class "B" native wine permit shall be the permit fee provided in section 123.179, subsection 3, and the fee for a fourteen-day class "C" native wine permit is the permit fee provided in section 123.179, subsection 4.

4. a. The administrator may issue five-day class "A", class "B", class "C", special class "C", and class "D" liquor control licenses, and five-day class "B" beer permits, class "B" native wine permits, and class "C" native wine permits.

b. A five-day license or permit is valid for five consecutive days, but the holder shall not sell alcoholic beverages on Sunday in the five-day period unless the holder qualifies for and obtains the privilege to sell on Sunday pursuant to ~~sections~~ section 123.36, subsection 6, and section 123.134, subsection 4.

~~5. c.~~ (1) The fee for the five-day liquor control license or beer permit is one-eighth of the annual fee for that class of license or permit. The fee for the privilege to sell on a Sunday in the five-day period is ten percent of the price of the five-day liquor control license or beer permit.

(2) The fee for a five-day class "B" native wine permit shall be the permit fee provided in section 123.179, subsection 3, and the fee for a five-day class "C" native wine permit is the permit fee provided in section 123.179, subsection 4.

5. A refund of fees paid shall not be made for seasonal licenses or permits, or for fourteen-day or five-day liquor control licenses, native wine permits, or beer permits. In addition, a seasonal, fourteen-day, or five-day license or permit shall not be renewed.

Sec. 17. Section 123.36, subsection 5, paragraph c, Code 2019, is amended to read as follows:

c. For air common carriers, each company shall pay a base annual fee of five hundred dollars ~~and, in addition, shall quarterly remit to the division an amount equal to seven dollars for each gallon of alcoholic liquor sold, given away, or dispensed in or over this state during the preceding~~

~~calendar quarter. The class "D" license fee and tax for air common carriers is in lieu of any other fee or tax collected from the carriers in this state for the possession and sale of alcoholic liquor, wine, and beer.~~

Sec. 18. Section 123.36, subsection 6, Code 2019, is amended to read as follows:

6. Any club, hotel, motel, native distillery, passenger-carrying boat or ship, railway corporation, air common carrier, or commercial establishment holding a liquor control license, subject to [section 123.49, subsection 2](#), paragraph "b", may apply for and receive permission to sell and dispense alcoholic beverages as authorized by [section 123.30](#) to patrons between the hours of 8:00 a.m. on Sunday and 2:00 a.m. on the following Monday. ~~A class "D" liquor control licensee may apply for and receive permission to sell and dispense alcoholic beverages to patrons for consumption on the premises only between the hours of 8:00 a.m. on Sunday and 2:00 a.m. on the following Monday.~~ For the privilege of selling beer, wine, and alcoholic liquor on the premises on Sunday the liquor control license fee of the applicant shall be increased by twenty percent of the regular fee prescribed for the license pursuant to [this section](#), and the privilege shall be noted on the liquor control license.

Sec. 19. Section 123.36, subsection 10, Code 2019, is amended to read as follows:

10. There is imposed a surcharge on the fee for each class "A", class "B", class "C", class "C" native distilled spirits, or special class "C" liquor control license equal to thirty percent of the scheduled license fee. The surcharges collected under [this subsection](#) shall be deposited in the beer and liquor control fund, and notwithstanding [subsection 8](#), no portion of the surcharges collected under [this subsection](#) shall be remitted to the local authority.

Sec. 20. NEW SECTION. **123.38A Confidential investigative records.**

In order to assure a free flow of information for accomplishing the purposes of section 123.4 and section 123.9, subsection 6, all complaint information, investigation files, audit files, and inspection files, other investigation

reports, and other investigative information in the possession of the division or employees acting under the authority of the administrator are privileged and confidential, and are not subject to discovery, subpoena, or other means of legal compulsion for their release before administrative or criminal charges are filed. However, investigative information in the possession of division employees may be disclosed to the licensing authorities of a city or county within this state, in another state, the District of Columbia, or territory or county in which the licensee or permittee is licensed or permitted or has applied for a license or permit. In addition, the investigative information can be shared with any law enforcement agency or other state agency that also has investigative, regulatory, or enforcement jurisdiction authorized by law. Records received by the division from other agencies which would be confidential if created by the division are considered confidential.

Sec. 21. Section 123.39, subsection 1, Code 2019, is amended to read as follows:

1. a. (1) The administrator or the local authority may suspend a ~~license or permit issued pursuant to this chapter~~ class "A", class "B", class "C", special class "C", class "C" native distilled spirits, or class "E" liquor control license or retail wine or beer permit for a period not to exceed one year, revoke the license or permit, or impose a civil penalty not to exceed one thousand dollars per violation. ~~Before suspension, revocation, or imposition of a civil penalty, the license or permit holder shall be given written notice and an opportunity for a hearing. The administrator may appoint a member of the division or may request an administrative law judge from the department of inspections and appeals to conduct the hearing and issue a proposed decision. Upon the motion of a party to the hearing or upon the administrator's own motion, the administrator may review the proposed decision in accordance with chapter 17A. Upon review of the proposed decision, the administrator may affirm, reverse, or modify the proposed decision. A licensee or permittee aggrieved by a decision of the administrator may seek judicial review of the administrator's decision in~~

~~accordance with chapter 17A.~~

(2) The administrator may suspend a certificate of compliance, a class "D" liquor control license, a manufacturer's license, a broker's permit, a class "A" native distilled spirits license, a class "A" or special class "A" beer permit, a charity beer, spirits, and wine auction permit, a class "A" wine permit, a wine direct shipper's permit, or a wine carrier permit for a period not to exceed one year, revoke the license, permit, or certificate, or impose a civil penalty not to exceed one thousand dollars per violation.

b. A license, ~~or~~ permit, or certificate of compliance issued under this chapter may be suspended or revoked, or a civil penalty may be imposed on the license or permit holder by the local authority or the administrator for any of the following causes:

(1) Misrepresentation of any material fact in the application for the license, ~~or~~ permit, or certificate.

(2) Violation of any of the provisions of this chapter.

(3) Any change in the ownership or interest in the business operated under a liquor control license, or any wine or beer permit, which change was not previously reported in a manner prescribed by the administrator within thirty days of the change and subsequently approved by the local authority, when applicable, and the division.

(4) An event which would have resulted in disqualification from receiving the license, ~~or~~ permit, or certificate when originally issued.

(5) Any sale, hypothecation, or transfer of the license, ~~or~~ permit, or certificate.

(6) The failure or refusal on the part of any licensee or permittee license, permit, or certificate holder to render any report or remit any taxes to the division under this chapter when due.

c. A criminal conviction is not a prerequisite to suspension, revocation, or imposition of a civil penalty pursuant to this section.

d. A local authority which acts pursuant to this section, section 123.32, or section 123.50 shall notify the division in writing of the action taken, and shall notify the licensee

license or permit holder of the right to appeal a suspension, revocation, or imposition of a civil penalty to the division.

e. Before suspension, revocation, or imposition of a civil penalty by the administrator, the license, permit, or certificate holder shall be given written notice and an opportunity for a hearing. The administrator may appoint a member of the division or may request an administrative law judge from the department of inspections and appeals to conduct the hearing and issue a proposed decision. Upon the motion of a party to the hearing or upon the administrator's own motion, the administrator may review the proposed decision in accordance with chapter 17A. Upon review of the proposed decision, the administrator may affirm, reverse, or modify the proposed decision. A license, permit, or certificate holder aggrieved by a decision of the administrator may seek judicial review of the administrator's decision in accordance with chapter 17A.

f. Civil penalties imposed and collected by the local authority under this section shall be retained by the local authority. Civil penalties imposed and collected by the division under this section shall be ~~retained by the division~~ credited to the general fund of the state pursuant to section 123.17, subsection 7.

Sec. 22. Section 123.39, subsection 4, Code 2019, is amended to read as follows:

4. If the cause for suspension is a first offense violation of [section 123.49, subsection 2](#), paragraph "h", the administrator or local authority shall impose a civil penalty in the amount of five hundred dollars in lieu of suspension of the license or permit. ~~Local authorities shall retain civil penalties collected under this paragraph if the proceeding to impose the penalty is conducted by the local authority. The division shall retain civil penalties collected under this paragraph if the proceeding to impose the penalty is conducted by the administrator of the division.~~

Sec. 23. Section 123.41, subsection 1, Code 2019, is amended to read as follows:

1. Each completed application to obtain or renew a manufacturer's license shall be submitted to the division

electronically, or in a manner prescribed by the administrator, and shall be accompanied by a fee of three hundred fifty dollars payable to the division. The administrator may in accordance with [this chapter](#) grant and issue to a manufacturer a manufacturer's license, valid for a one-year period after date of issuance, which shall allow the manufacture, storage, and wholesale disposition and sale of alcoholic liquors to the division and to customers outside of the state.

Sec. 24. Section 123.41, Code 2019, is amended by adding the following new subsection:

NEW SUBSECTION. 3A. A person who holds a manufacturer's license shall file with the division, on or before the fifteenth day of each calendar month, all documents filed by the manufacturer with the alcohol and tobacco tax and trade bureau of the United States department of the treasury, including all production, storage, and processing reports.

Sec. 25. Section 123.41, subsection 4, Code 2019, is amended to read as follows:

4. A Any violation of the requirements of this ~~section~~ chapter or rules adopted pursuant to this chapter shall subject the ~~licensee~~ license holder to the general penalties provided in [this chapter](#) and shall constitute grounds for imposition of a civil penalty, or suspension of the license, or revocation of the license after notice and opportunity for a hearing pursuant to [section 123.39](#) and [chapter 17A](#).

Sec. 26. Section 123.42, subsection 1, Code 2019, is amended to read as follows:

1. Prior to representing or promoting alcoholic liquor products in the state, the broker shall submit ~~an~~ a completed application to the division electronically, or in a manner prescribed by the administrator, for a broker's permit. The administrator may in accordance with [this chapter](#) issue a broker's permit which shall be valid for one year from the date of issuance unless it is sooner suspended or revoked for a violation of [this chapter](#).

Sec. 27. Section 123.42, Code 2019, is amended by adding the following new subsection:

NEW SUBSECTION. 7. Any violation of the requirements of this chapter or the rules adopted pursuant to this chapter

shall subject the permit holder to the general penalties provided in this chapter and shall constitute grounds for imposition of a civil penalty, suspension of the permit, or revocation of the permit after notice and opportunity for a hearing pursuant to section 123.39 and chapter 17A.

Sec. 28. Section 123.43, subsection 1, paragraph b, Code 2019, is amended to read as follows:

b. The names and addresses of all persons or, in the case of a corporation, limited liability company, or any other similar legal entity, the officers, directors, and persons owning or controlling ten percent or more of the capital stock thereof, having a financial interest, by way of loan, ownership, or otherwise, in the business.

Sec. 29. Section 123.43A, subsection 5, Code 2019, is amended to read as follows:

5. ~~The division shall issue no more than three class "A" native distilled spirits licenses to a person. In addition,~~ a A native distillery issued a class "A" native distilled spirits license shall file with the division, on or before the fifteenth day of each calendar month, all documents filed by the native distillery with the alcohol and tobacco tax and trade bureau of the United States department of the treasury, including all production, storage, and processing reports.

Sec. 30. Section 123.49, subsection 2, unnumbered paragraph 1, Code 2019, is amended to read as follows:

A person ~~or club~~ holding a liquor control license or retail wine or beer permit under [this chapter](#), and the person's ~~or club's~~ agents or employees, shall not do any of the following:

Sec. 31. Section 123.49, subsection 2, paragraph g, Code 2019, is amended to read as follows:

g. Allow any person other than the licensee, permittee, or employees of the licensee or permittee, to use or keep on the licensed premises any alcoholic liquor in any bottle or other container which is designed for the transporting of such beverages, except as permitted in [section 123.95](#). This paragraph does not apply to the lodging quarters of a class "B" liquor control licensee or wine or beer permittee, or to ~~common carriers holding~~ holders of a class "D" liquor control license.

Sec. 32. Section 123.50, subsections 2 and 4, Code 2019, are

amended to read as follows:

2. The conviction of any liquor control licensee or wine or beer permittee for a violation of any of the provisions of [section 123.49](#), subject to [subsection 3](#) of [this section](#), is grounds for the suspension or revocation of the license or permit by the division or the local authority. However, if any liquor control licensee is convicted of any violation of [section 123.49, subsection 2](#), paragraph "a", "d", or "e", or any wine or beer permittee is convicted of a violation of [section 123.49, subsection 2](#), paragraph "a" or "e", the liquor control license or wine or beer permit shall be revoked and shall immediately be surrendered by the holder, and the bond, if any, of the license or permit holder shall be forfeited to the division. However, the division shall retain only that portion of the bond equal to the amount the division determines the license or permit holder owes the division.

4. In addition to any other penalties imposed under this chapter, the division shall assess a civil penalty up to the amount of five thousand dollars upon a class "E" liquor control licensee when the class "E" liquor license is revoked for a violation of [section 123.59](#). Failure to pay the civil penalty as required under [this subsection](#) shall result in forfeiture of the bond to the division. However, the division shall retain only that portion of the bond equal to the amount the division determines the license or permit holder owes the division.

Sec. 33. Section 123.56, subsection 1, Code 2019, is amended to read as follows:

1. Subject to rules of the division, manufacturers of native wines from grapes, cherries, other fruits or other fruit juices, vegetables, vegetable juices, dandelions, clover, honey, or any combination of these ingredients, holding a class "A" wine permit as required by [this chapter](#), may sell, keep, or offer for sale and deliver the wine. Notwithstanding [section 123.24, subsection 4 1A, paragraph "b"](#), or any other provision of [this chapter](#), manufacturers of native wine may obtain and possess grape brandy from the division for the sole purpose of manufacturing wine.

Sec. 34. Section 123.56, subsection 4, Code 2019, is amended to read as follows:

4. Notwithstanding ~~section 123.179, subsection 1~~, a A class "A" wine permit issued for a native wine manufacturer ~~shall be issued and renewed annually upon payment of a fee of twenty-five dollars which shall be in lieu of any other license fee required by this chapter~~. The class "A" permit shall only allow the native wine manufacturer to sell, keep, or offer for sale and deliver the manufacturer's native wines as provided under this section.

Sec. 35. Section 123.56, Code 2019, is amended by adding the following new subsection:

NEW SUBSECTION. 7A. A manufacturer of native wines shall file with the division, on or before the fifteenth day of each calendar month, all documents filed with the alcohol and tobacco tax and trade bureau of the United States department of the treasury, including all wine premises operations and excise tax return reports.

Sec. 36. Section 123.95, subsections 1 and 2, Code 2019, are amended to read as follows:

1. A person shall not allow the dispensing or consumption of alcoholic liquor, except wines and beer, in any establishment unless the establishment is licensed under this chapter or except as otherwise provided in this section.

2. a. The holder of an annual class "B" liquor control license or an annual class "C" liquor control license may act as the agent of a private social host for the purpose of providing and serving alcoholic ~~liquor, wine, and beer~~ beverages as part of a food catering service for a private social gathering in a private place, provided the licensee has applied for and been granted a catering privilege by the division. The holder of an annual special class "C" liquor control license shall not act as the agent of a private social host for the purpose of providing and serving wine and beer as part of a food catering service for a private social gathering in a private place. An applicant for a class "B" or class "C" liquor control license shall state on the application for the license that the licensee intends to engage in catering food and alcoholic beverages for private social gatherings and the catering privilege shall be noted on the license.

b. The private social host or the licensee shall not solicit

~~donations in payment of any kind, including donations,~~ for the food or alcoholic beverages from the guests, and the alcoholic beverages and food shall be served without cost to the guests.

c. ~~Section 123.92~~ does not apply to a liquor control licensee who acts in accordance with ~~this section~~ when the liquor control licensee is providing and serving food and alcoholic beverages as an agent of a private social host at a private social gathering in a private place which is not on the licensed premises.

~~2. An applicant for a class "B" liquor control license or class "C" liquor control license shall state on the application for the license that the licensee intends to engage in catering food and alcoholic beverages for private social gatherings and the catering privilege shall be noted on the license or permit.~~

d. A licensee who engages in catering food and alcoholic beverages for private social gatherings shall maintain a record on the licensed premises which includes the name and address of the host of the private social gathering, and the date for which catering was provided. The record maintained pursuant to this section shall be open to inspection pursuant to section 123.30, subsection 1, during normal business hours of the licensee.

Sec. 37. Section 123.122, Code 2019, is amended by striking the section and inserting in lieu thereof the following:

123.122 Beer certificate, permit, or license required — exception for personal use.

1. A person shall not cause the manufacture, importation, or sale of beer in this state unless a certificate or permit as provided in this subchapter, or a liquor control license as provided in subchapter 1 of this chapter, is first obtained which authorizes that manufacture, importation, or sale.

2. Any person of legal age may manufacture beer for personal use without a class "A" beer permit, subject to the requirements of this subsection. Such beer may be consumed on the premises or removed from the premises where it was manufactured only if the beer is not sold, exchanged, bartered, dispensed, or given in consideration of purchase for any property or services or in evasion of the requirements of this chapter.

3. Except as otherwise provided in this chapter, a person shall not import beer. However, an individual of legal age may import beer into the state without a certificate, permit, or license an amount of beer not to exceed four and one-half gallons per calendar month that the individual personally obtained outside the state or, in the case of beer personally obtained outside the United States, a quantity which does not exceed the amount allowed by federal law governing the importation of alcoholic beverages into the United States for personal consumption. Beer imported pursuant to this section shall be for personal consumption in a private home or other private accommodation and only if the beer is not sold, exchanged, bartered, dispensed, or given in consideration of purchase for any property or services or in evasion of the requirements of this chapter.

Sec. 38. Section 123.127, subsection 1, unnumbered paragraph 1, Code 2019, is amended to read as follows:

A person applying for a class "A" or special class "A" beer permit shall submit an a completed application electronically, or in a manner prescribed by the administrator, which shall set forth under oath the following:

Sec. 39. Section 123.127, subsection 1, paragraph b, Code 2019, is amended to read as follows:

b. The names and addresses of all persons or, in the case of a corporation, limited liability company, or any other similar legal entity, the officers, directors, and persons owning or controlling ten percent or more of the capital stock thereof, having a financial interest, by way of loan, ownership, or otherwise, in the business.

Sec. 40. Section 123.130, subsection 1, Code 2019, is amended to read as follows:

1. a. Any person holding a class "A" beer permit issued by the division shall be authorized to manufacture and sell, or sell at wholesale, beer for consumption off the premises, such sales within the state to be made only to persons holding subsisting class "A", "B", or "C" beer permits, both a class "C" native wine permit and a class "A" wine permit pursuant to [section 123.178B, subsection 4](#), or liquor control licenses issued in accordance with the provisions of [this chapter](#).

b. A person holding a class "A" beer permit may sell beer to distributors outside of the state that are authorized by the laws of that jurisdiction to sell beer at wholesale.

c. A class "A" or special class "A" beer permit does not grant authority to manufacture wine as defined in section 123.3, subsection 48.

Sec. 41. Section 123.130, Code 2019, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. Pursuant to section 123.45, subsection 2, a native brewery may be granted not more than one class "B" beer permit as defined in section 123.124 for the purpose of selling beer at retail for consumption on or off the premises of the manufacturing facility.

Sec. 42. Section 123.130, Code 2019, is amended by adding the following new subsection:

NEW SUBSECTION. 4. A manufacturer of beer issued a class "A" or special class "A" beer permit shall file with the division, on or before the fifteenth day of each calendar month, all documents filed with the alcohol and tobacco tax and trade bureau of the United States department of the treasury, including all brewer's operation and excise tax return reports.

Sec. 43. Section 123.131, subsection 2, unnumbered paragraph 1, Code 2019, is amended to read as follows:

Subject to the rules of the division, sales of beer for consumption off the premises made pursuant to [this section](#) may be made in a container other than the original container only if the container is carried into an immediately adjacent ~~licensed or permitted~~ premises covered by a license or permit that authorizes the consumption of beer, temporary temporarily closed public right-of-way, or a private property place, or if all of the following requirements are met:

Sec. 44. Section 123.135, subsection 1, Code 2019, is amended to read as follows:

1. A manufacturer, brewer, bottler, importer, or vendor of beer, or any agent thereof, desiring to ship or sell beer, or have beer brought into this state for resale by a class "A" beer permittee, shall first make application for and be issued a brewer's certificate of compliance by the administrator for that purpose. The certificate of compliance expires at the

end of one year from the date of issuance and shall be renewed for a like period upon application to the administrator unless otherwise revoked for cause. Each completed application for a certificate of compliance or renewal of a certificate shall be submitted electronically, or in a manner prescribed by the administrator, and shall be accompanied by a fee of five hundred dollars payable to the division. Each holder of a certificate of compliance shall furnish the information in a manner the administrator requires.

Sec. 45. Section 123.135, subsection 5, Code 2019, is amended by striking the subsection and inserting in lieu thereof the following:

5. Any violation of the requirements of this chapter or the rules adopted pursuant to this chapter shall subject the holder of a brewer's certificate of compliance or a class "A" beer permit holder to the general penalties provided in this chapter and shall constitute grounds for imposition of a civil penalty, suspension of the certificate or permit, or revocation of the certificate or permit after notice and opportunity for a hearing pursuant to section 123.39 and chapter 17A.

Sec. 46. Section 123.136, subsection 1, Code 2019, is amended to read as follows:

1. In addition to the annual permit fee to be paid by all class "A" beer permittees under this chapter there shall be levied and collected from the permittees on all beer manufactured for sale or sold in this state at wholesale and on all beer imported into this state for sale at wholesale and sold in this state at wholesale, and from special class "A" beer permittees on all beer manufactured for consumption on the premises and on all beer sold at retail at the manufacturing premises for consumption off the premises pursuant to section 123.130, subsection 3, a tax of five and eighty-nine hundredths dollars for every barrel containing thirty-one gallons, and at a like rate for any other quantity or for the fractional part of a barrel. However, no tax shall be levied or collected on beer shipped outside this state by a class "A" beer permittee or special class "A" beer permittee or on beer sold to a class "A" beer permittee by ~~one~~ a special class "A" beer permittee to or another class "A" beer permittee.

Sec. 47. Section 123.143, subsection 3, Code 2019, is amended to read as follows:

3. Barrel tax revenues collected on beer manufactured in this state from a class "A" beer permittee which owns and operates a native brewery ~~located in Iowa~~ shall be credited to the barrel tax fund hereby created in the office of the treasurer of state. Moneys deposited in the barrel tax fund shall not revert to the general fund of the state without a specific appropriation by the general assembly. Moneys in the barrel tax fund are appropriated to the economic development authority for purposes of [section 15E.117](#).

Sec. 48. Section 123.173A, subsection 2, Code 2019, is amended to read as follows:

2. An authorized nonprofit entity may, upon application to the division and receipt of a charity beer, spirits, and wine auction permit from the division, conduct a charity auction which includes beer, spirits, and wine. The completed application shall specify the date and time when the charity beer, spirits, and wine auction is to be conducted and the premises in this state where the charity beer, spirits, and wine auction is to be physically conducted. The applicant shall certify that the objective of the charity beer, spirits, and wine auction is to raise funds solely to be used for educational, religious, or charitable purposes and that the entire proceeds from the charity beer, spirits, and wine auction are to be expended for any of the purposes described in section 423.3, subsection 78.

Sec. 49. Section 123.173A, Code 2019, is amended by adding the following new subsection:

NEW SUBSECTION. 8. Any violation of the requirements of this chapter or the rules adopted pursuant to this chapter shall subject the permit holder to the general penalties provided in this chapter and shall constitute grounds for imposition of a civil penalty, suspension of the permit, or revocation of the permit after notice and opportunity for a hearing pursuant to section 123.39 and chapter 17A.

Sec. 50. Section 123.175, subsection 1, unnumbered paragraph 1, Code 2019, is amended to read as follows:

A person applying for a class "A" or retail wine permit

shall submit ~~an~~ a completed application electronically, or in a manner prescribed by the administrator, which shall set forth under oath the following:

Sec. 51. Section 123.175, subsection 1, paragraph b, Code 2019, is amended to read as follows:

b. The names and addresses of all persons or, in the case of a corporation, limited liability company, or any other similar legal entity, the officers, directors, and persons owning or controlling ten percent or more of the capital stock thereof, having a financial interest, by way of loan, ownership, or otherwise, in the business.

Sec. 52. Section 123.177, subsection 1, Code 2019, is amended to read as follows:

1. A person holding a class "A" wine permit may manufacture and sell, or sell at wholesale, wine for consumption off the premises. Sales within the state may be made only to persons holding a class "A" or "B" wine permit and to persons holding a retail liquor control license. However, if the person holding the class "A" permit is a manufacturer of native wine, the person may sell only native wine to a person holding a retail wine permit or a retail liquor control license. A person holding a class "A" wine permit may sell wine to distributors outside of the state that are authorized by the laws of that jurisdiction to sell wine at wholesale. A class "A" wine permittee having more than one place of business shall obtain a separate permit for each place of business where wine is to be manufactured, stored, warehoused, or sold.

Sec. 53. Section 123.179, subsection 1, Code 2019, is amended to read as follows:

1. The annual permit fee for a class "A" wine permit that is not issued to a native wine manufacturer is seven hundred fifty dollars.

Sec. 54. Section 123.179, Code 2019, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. The annual permit fee for a class "A" wine permit issued to a native wine manufacturer is twenty-five dollars.

Sec. 55. Section 123.180, subsection 1, Code 2019, is amended to read as follows:

1. A manufacturer, vintner, bottler, importer, or vendor of wine, or an agent thereof, desiring to ship, sell, or have wine brought into this state for sale at wholesale by a class "A" permittee shall first make application for and shall be issued a vintner's certificate of compliance by the administrator for that purpose. The vintner's certificate of compliance shall expire at the end of one year from the date of issuance and shall be renewed for a like period upon application to the administrator unless otherwise revoked for cause. Each completed application for a vintner's certificate of compliance or renewal of a certificate shall be submitted electronically, or in a manner prescribed by the administrator, and shall be accompanied by a fee of one hundred dollars payable to the division. Each holder of a vintner's certificate of compliance shall furnish the information required by the administrator in the form the administrator requires. A vintner or wine bottler whose plant is located in Iowa and who otherwise holds a class "A" wine permit to sell wine at wholesale is exempt from the fee, but not the other terms and conditions. The holder of a vintner's certificate of compliance may also hold a class "A" wine permit.

Sec. 56. Section 123.180, subsection 6, Code 2019, is amended by striking the subsection and inserting in lieu thereof the following:

6. Any violation of the requirements of this chapter or the rules adopted pursuant to this chapter shall subject the holder of a vintner's certificate of compliance or a class "A" wine permit holder to the general penalties provided in this chapter and shall constitute grounds for imposition of a civil penalty, suspension of the certificate or permit, or revocation of the certificate or permit after notice and opportunity for a hearing pursuant to section 123.39 and chapter 17A.

Sec. 57. Section 123.183, subsection 1, Code 2019, is amended to read as follows:

1. In addition to the annual permit fee to be paid by each class "A" wine permittee, a wine gallonage tax shall be levied and collected from each class "A" wine permittee on all wine manufactured for sale and sold in this state at wholesale and on all wine imported into this state for sale at wholesale and

sold in this state at wholesale. A wine gallonage tax shall also be levied and collected on the direct shipment of wine pursuant to [section 123.187](#). The rate of the wine gallonage tax is one dollar and seventy-five cents for each wine gallon. The same rate shall apply for the fractional parts of a wine gallon. The wine gallonage tax shall not be levied or collected on wine sold by one class "A" wine permittee to another class "A" wine permittee or on wine that is sold by a class "A" wine permittee to a distributor outside of the state.

Sec. 58. Section 123.186, subsection 1, Code 2019, is amended to read as follows:

1. The division shall adopt as rules the substance of the federal regulations [27 C.F.R. pt. 6, 27 C.F.R. pt. 8, 27 C.F.R. pt. 10, and 27 C.F.R. pt. 11](#) ~~as they relate to transactions between wholesalers and retailers.~~

Sec. 59. Section 123.187, subsection 3, paragraph d, Code 2019, is amended to read as follows:

d. All containers of wine shipped directly to a resident of this state shall be shipped by a holder of a wine carrier permit as provided in ~~subsection 6~~ [section 123.188](#).

Sec. 60. Section 123.187, subsection 6, Code 2019, is amended by striking the subsection.

Sec. 61. NEW SECTION. **123.188 Wine carrier — permit and requirements.**

1. A person desiring to deliver wine subject to direct shipment within this state pursuant to section 123.187 shall submit an application for a wine carrier permit electronically, or in a manner prescribed by the administrator, and shall be accompanied by a fee in the amount of one hundred dollars.

2. The administrator may in accordance with this chapter issue a wine carrier permit which shall be valid for one year from the date of issuance unless it is sooner suspended or revoked for a violation of this chapter.

3. A permit issued pursuant to this section may be renewed annually by submitting a renewal application with the administrator in a manner prescribed by the administrator, accompanied by the one hundred dollar permit fee.

4. The delivery of wine pursuant to this section shall be

subject to the following requirements and restrictions:

a. A wine carrier permittee shall not deliver wine to any person under twenty-one years of age, or to any person who either is or appears to be in an intoxicated state or condition.

b. A wine carrier permittee shall obtain valid proof of identity and age prior to delivery, and shall obtain the signature of an adult as a condition of delivery.

c. A wine carrier permittee shall maintain records of wine shipped which include the permit number and name of the wine manufacturer, quantity of wine shipped, recipient's name and address, and an electronic or paper form of signature from the recipient of the wine. Records shall be submitted to the division on a monthly basis in a form and manner to be determined by the division.

5. A violation of this section shall subject the permittee to the general penalties provided in this chapter and shall constitute grounds for imposition of a civil penalty or suspension or revocation of the permit pursuant to section 123.39.

Sec. 62. CODE EDITOR DIRECTIVE.

1. The Code editor is directed to make the following transfer:

Section 123.56 to section 123.176.

2. The Code editor is directed to correct internal references in the Code as necessary due to enactment of this section.

Sec. 63. REPEAL. Sections 123.144 and 123.146, Code 2019, are repealed.

DIVISION II

ALCOHOLIC BEVERAGE DELIVERIES

Sec. 64. Section 123.46A, subsection 1, Code 2019, is amended to read as follows:

1. Licensees and permittees authorized to sell alcoholic liquor, wine, or beer in original unopened containers for consumption off the licensed premises may deliver alcoholic liquor, wine, or beer to a home, another licensed premises if there is identical ownership of the premises by the licensee or permittee, or other designated location in this state.

Deliveries shall be limited to alcoholic beverages authorized by the licensee's or permittee's license or permit.

Sec. 65. Section 123.46A, subsection 2, paragraph a, Code 2019, is amended to read as follows:

a. Payment for the alcoholic liquor, wine, or beer shall be received ~~on the licensed premises~~ by the licensee or permittee at the time of order.

Sec. 66. Section 123.46A, subsection 2, Code 2019, is amended by adding the following new paragraphs:

NEW PARAGRAPH. *Ob.* Orders for deliveries may be taken by the licensee or permittee between the hours of 2:00 a.m. and 6:00 a.m. on a day other than Sunday, and orders for deliveries may be taken between the hours of 2:00 a.m. and 8:00 a.m. on a Sunday provided the licensee or permittee has been granted the privilege of selling alcoholic liquor, wine, or beer on Sunday, notwithstanding any provision of section 123.49, subsection 2, paragraph "b", to the contrary.

NEW PARAGRAPH. *k.* Orders delivered to another licensed premises shall contain only those alcoholic beverages authorized for sale by the liquor control license or retail wine or beer permit covering the premises to receive the delivery.

NEW PARAGRAPH. *l.* Orders delivered to another licensed premises shall be fulfilled using the alcoholic beverages inventory owned by the licensee or permittee who received the order for delivery. If the recipient refuses or fails to pick up the delivery, or is ineligible to receive the delivery, the alcoholic beverages shall be returned to the licensee or permittee who fulfilled the order.

Sec. 67. Section 123.49, subsection 2, paragraph d, subparagraph (1), Code 2019, is amended to read as follows:

(1) Keep on premises covered by a liquor control license any alcoholic liquor in any container except the original package purchased from the division, and except mixed drinks or cocktails mixed on the premises for immediate consumption on the licensed premises or as otherwise provided by this paragraph "d". This prohibition does not apply to ~~common~~ carriers holding holders of a class "D" liquor control license or to alcoholic liquor delivered in accordance with section

123.46A.

Sec. 68. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

CHARLES SCHNEIDER
President of the Senate

LINDA UPMAYER
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 618, Eighty-eighth General Assembly.

W. CHARLES SMITHSON
Secretary of the Senate

Approved _____, 2019

KIM REYNOLDS
Governor